

CityHousing Hamilton Corporation



CATEGORY		03	Procurement	DATE APPROVED: October 24, 2017
SECTION		04		Preparing Tenders
POLICY		03	Request for Tender (\$100,000 or greater)	

1.0 POLICY STATEMENT AND PURPOSE

CityHousing Hamilton (CHH) is committed to ensure that the purchasing function related to preparing tenders meets the current and future needs of the organization by employing effective and innovative methods for procurement of goods and/or services.

2.0 SCOPE

The policy will provide guidance on preparing Requests for Tenders (RFT).

3.0 POLICY

Preparing Request For Tenders should include contracts of \$100,000 or more, must be publically advertised and may also be distributed to qualified contractors in order to obtain competitive pricing.

All tender files are required to be maintained by CHH and should include the following information:

- Tender number;
- Details of goods and/or services to be provided;
- Copy of advertisement posted on the website or other media outlets;
- Closing date and time for tender;
- Scope of work, plans, specifications and any subsequent amendments and addenda;
- Tender Bid Submission Forms received;
- Tender evaluation report;
- Correspondence to successful Contactor;
- Record of release of bid security to other Contractors;
- A copy of the contract (Purchase Order is generated by the Finance Department);
- Control details of payments made against contract, progress draws/invoices, indicating holdbacks (where applicable) and change orders (extras or credits to the-contacts (where applicable));
- Change Orders pertaining to the scope of work;
- Suitable evidence of compliance;
- Workplace Safety Insurance Board (WSIB) Clearance Certificate;
- Certificate of Insurance;
- Evidence of payment of holdbacks as required, 45 calendar days after substantial performance of the contract;

- Evidence of performance security and/or Performance and Labour and Material Payment securities where required; and
- Contractor Performance Evaluation.

All tender files will be maintained by the Contract Administrator and the Asset Management Administrative Coordinator.

Contracts that are picked up at the CHH Head Office will be charged an administrative fee of \$100 and contracts that are downloaded web base sources will be charged a \$35 download fee.

If there is a mandatory site meeting identified in the advertisement and/or specifications than all proponents are required to attend, otherwise are excluded from bidding on the contract.

Any person engaged, occupies, or retained in the region area by CHH and is required to carry out work of the building repair, drain repair, electrical, plumbing, heating, or ventilation must obtain and provide annually applicable trade licences to CHH.

4.0 PROCEDURE

CHH must ensure that complete specifications with all necessary design details and drawings are provided to Contractors.

To mitigate risk, where work to be performed is beyond CHH expertise, the scope of work and tender documents will be developed by a Consultant retained by CHH.

The Asset Renewal Department is responsible for the preparation of the advertisement, which should include:

- Details of the work to be performed or the goods to be acquired;
- The fee for the tender document (if required as per tender documents);
- Where the tender documents can be obtained;
- Address of where the tender bid submissions are to be sent and delivered;
- Date, time and location of the site meeting (if applicable); and
- Date, time and location of tender closing.

The advertisement should include CHH's logo at the top of the advertisement and should be placed in on CHH's website. Advertisements may also be placed in newspapers or web based advertising mediums, electronic means such as, voicemail, email and fax may be used for notification of the tender call to optimize the number of bids.

All information submitted in the bid must be completed otherwise CHH may disqualify the bid. All proponents must ensure the following are complete:

- Properly complete the Tender Submission Bid Form in words, numerals, including errors in additions to omissions, etc.; and
- Include all or any required appendices, documentation, schedules, requirements, etc.

If the following information is not providing as part of the bid, CHH will automatically disqualify the bid:

- Amount of bid security required as part of the bid in proper form; and
- Have the Tender Submission Form signed by an Authorized Agent of the firm.

4.1 CONFLICT OF INTEREST

Pursuant to the City of Hamilton's Corporate Code of Conduct for Employees Policy, Schedule A, Conflict of Interest, employees of CHH should not have a pecuniary interest, either directly or indirectly, in any CHH contract or with any person acting for CHH in any contract for the supply of goods and/or services for which CHH pays or is liable, directly or indirectly to pay unless such interest has been declared.

In addition, employees of CHH are required to declare any pecuniary interest, either direct or indirect, in writing to the Manager of Asset Renewal and/or to the Chief Executive Officer indicating the specific nature of the conflict.

Unless otherwise provided prior express written consent by CHH, a Contactor and its representatives will not act on behalf of CHH with respect to any matter, issue or in connection with any property in which the Contactor or employee or subcontractor of the Contractor has a direct or indirect pecuniary interest, including any contingent interest.

In any case where there may be a conflict of interest between the Contractor and CHH, the Contractor must notify the City in writing immediately of any potential conflict of interest that may arise prior to the award of any contract and fully disclose any details thereof. Also, before the submission of a bid to act on behalf of the City, the Contractor will exercise reasonable due diligence to confirm that there is no conflict of interest.

Should a Contractor fail declare a conflict of interest to CHH and/or obtain CHH's prior express through written consent to waive the conflict of interest, may result in the Contract being ineligible to bid and can form a basis for rejection of a bid submitted to CHH.

4.2 TENDER PACKAGE

The tender package that is purchased by contractors contains:

- Tender envelope, which includes – Tender Number, date and time of closing, address to which submissions are to be sent or delivered;
- Technical Specifications, Drawings and/or Scope of Work, Instructions to Bidders and General Conditions, Public Tenders;
- Tender Submission Bid Form;
- Insurance;
- Irregularities;
- Bonding requirements;
- Contractor contact label (return submission label);
- Appendices (if applicable); and
- Addendum(s).

CHH staff will prepare the drawings, specifications and scope of work, where applicable. When bid documents are issued to bidders, information such as company name, address, contact name, phone and fax numbers are maintained in the tender file (Bid Takers List).

If the scope of work is uncertain, CHH may choose to complete a Request for Proposal (RFP), in accordance with this policy.

Contractors will be provided a minimum of 5 business days for tender closing or as per the tender documents.

4.3 BID SECURITY

Bid security must accompany tender submissions, for RFTs, in the minimum amount of 10% of the submission price or a predetermined amount as outlined in the tender documents. The following list is acceptable bid security:

- Bid bond;
- Certified cheque or money order;
- Bank draft; or
- Irrevocable Letter of Credit (not a letter of guarantee).

CHH may retain this bid security for its use if the contractor:

- Withdraws their bid after the closing date and time prior to award;
- Withdraws their bid after notification that their tender has been awarded; or
- Fails to provide performance security or other documents as required by the Tender Documents.

In addition to retaining the bid security, CHH may:

- Accept the next lowest qualified bid; (Refer to Tender Opening Policy Number)
- Not accept any tender; and/or
- Advertise for new tenders.

The bid security submitted must be valid for 90 calendar days or greater after the tender closing.

4.4 PERFORMANCE SECURITY

The awarded Contractor must provide performance security up to 100% of the required contract price or as outlined in the tender documents.

Performance security may be used to off-set poor performance and is retained for a minimum of 90 days and up to a maximum of 2 years as outlined in the tender documents after the contract has been substantially completed.

Labour and Material Payment Security may be required up to 100% of the required contract price for specific project requirements or as outlined in the tender documents.

The following is acceptable forms of Performance and Labour & Material Payment security:

- Performance bond;
- Certified cheque or money order;
- Bank draft; or
- Irrevocable Letter of Credit (not a letter of guarantee).

4.5 BID ISSUANCE

When tender documents are issued to bidders we require information such as:

- Company name;

- Company address;
- Contact Name;
- Phone Number;
- Email address; and
- Fax numbers

The above information is recorded on a bid takers list for notification and distribution of any addenda. All bidders must acquire a tender package; if a fee is required it will be non-refundable. The fee will be specified in the tender documents.

4.6 TENDER ADDENDUM

Any questions related to tender documents should be addressed by the Asset Renewal Department in writing to determine if an addendum is required.

When it becomes necessary to revise or provide clarification to tender documents the Asset Renewal Department will issue an addendum.

The Asset Renewal Department will forward all addenda in writing to the contractors who have purchased the tender document. A copy of all addendums will be attached to each set of tender-documents not yet purchased.

Notification of all Addendums will be posted on CHH website under the Asset Renewal tab. It will be the responsibility of the bid takers to check the website for notifications as outlined in the tender documents. When it is deemed necessary to extend the closing date, any tender already submitted will be returned to the bidder upon written request, should the Contractor indicate that the bid may stand "as is." The Asset Renewal will secure a signed form from the Contractor stating this which will be attached to the tender envelope prior to time and date of closing.

When it is deemed necessary by the Asset Renewal Department to cancel a tender call prior to tender closing, an addendum will be issued to bid takers informing them of the cancellation. All tenders received will be returned unopened to the bidder. If a tender submission does not clearly indicate the bidder's name, CHH has the right to open the tender to determine the bidder's address in order to return the bid.

4.6 SITE MEETINGS

Site Meetings may be held prior to tender closing as outlined in the tender documents to review the scope of work.

5.0 RESPONSIBILITY

It is the responsibility of the Chief Executive Officer to ensure all appropriate staff are trained on this policy.

6.0 DEFINITIONS

Bid: means an offer or submission from a vendor/contractor to a RFQ, RFP, RFT.

Contract: any formal legal agreement between two or more parties for supplies, goods, services, equipment, or construction. Such agreements will consist in the form of a:

- a) Purchase Order;
- b) Purchase Order incorporating a formal agreement; or

c) Formal agreement between two or more parties that creates an obligation to provide defined goods and/or perform defined services.

Contractor: means the person or corporation whose tender has been accepted by the owner, and who is deemed to have entered into the contract with the owner.

Goods: includes supplies, equipment, materials, products, structures and fixtures to be delivered, installed or constructed.

Lowest Compliant Bid: means a bid with the lowest price meeting all requirements of a RFQ, RFP or RFT, subject to any rights or privileges reserved by the CHH contained in the respective procurement document, or unless otherwise approved by the Board.

Municipal Act, 2001: legislation that outlines municipal governance and jurisdiction to administer and deliver services in respective areas.

Owner: means CityHousing Hamilton.

Pecuniary Interest: is something that causes either a negative or positive financial impact for the individual. The term interest is not limited to a property interest and may be an interest that financially impacts the person through a personal or business relationship, or through a contract.

Request for Proposals (RFP): means a formal request for prices and details for goods and/or services from vendors, where the goods and/or services may not be able to be fully defined or specified or when alternate methods are being sought to perform a certain function or service, at the time of the request.

Request for Quotations (RFQ): means an informal request for price for goods and/or services with an estimated procurement cost.

Request of Tenders (RFT): means a formal request for prices on goods and/or services from vendors, where the goods and/or services are able to be fully defined or specified at the time of the request, with a value of \$100,000 or more.

Service: means all professional, consulting, construction or maintenance services as well as any other services described in the contract or in a RFQ, RFP or RFT.

Specifications: means the detailed description of, and written requirements and standards for, goods and/or services contained in a RFQ, RFP or RFT to the extent known or available to the Asset Renewal Department, and also includes any drawings, designs and models.

Written Quote: is the cost coverage for a product or service that an authorized seller or provider offers in good faith through a written agreement to sell at the stated amount.

7.0 REFERENCES AND RELATED POLICIES

- Authorization Limit for Procurement Policy
- Formal Quotations (\$10,001 - \$99,999) Policy
- Low Dollar Value Procurements (Up to \$10,000) Policy
- Non-Competitive Procurements (up to \$99,999) Policy
- Request for Tender (\$100,000 or more) Policy
- WSIB, Trade Licences and Insurance Policy